

City of
Tucson
Arizona
City Strategic Plan
Fiscal Years 2005 and 2006



Mayor and City Council



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*Date term expires

Introduction

From the City Manager

During this year's budget discussions, the Mayor and Council chose to invest in the future of our city. In the past, structural budgetary problems encouraged decisions that corrected the immediate budget problems of the day, but did so by drawing funds away from essential infrastructure maintenance. Fiscal Year 2005 departs from that practice.

The City Strategic Plan for Fiscal Year 2005 outlines many of the key projects that the Mayor and Council have approved for the coming year. These projects share a common theme. Each is designed to invest in our community now, to ensure Tucson's place as a leading city of the Southwest.



The projects are organized along the six focus areas that the Mayor and Council adopted in December 2001 to be the centerpiece of the City Strategic Plan. These areas are: Transportation, Downtown, Growth, Neighborhoods, Economic Development, and Good Government.

These projects include making much needed repairs to our city streets, increasing the number of police officers and fire fighters who protect our community, and fixing older parks and opening new facilities. At the same time, great strides will be made to keep the momentum going downtown. These efforts will create a safer, more livable and attractive environment for Tucson residents.

Tucson continues to grow rapidly. While providing many benefits in the city, growth can also strain resources and change the landscape of our community. This year, the Mayor and Council is focused on several key strategies designed to anticipate future needs through careful planning and restructuring funding sources to reflect the true cost of services. The environmental service fee will separate environmental services from the general fund, freeing up funds that will pay for infrastructure investment. Impact fees will provide funding for new infrastructure that is generated by new development. Another key project will be discussions that lead to an adequate, dedicated regional funding source for the Tucson-Pima Public Library.

This report represents an investment in the future of Tucson by translating the vision of the Mayor and Council into a series of strategies and associated projects. By working within the structure of the City Strategic Plan, we are able to focus our organizational efforts on Tucson's greatest needs and opportunities.

A handwritten signature in black ink, appearing to read "James Keene".

James Keene
City Manager

CITY STRATEGIC PLAN

The General Plan

- Growth Area and Population
 - Land Use
- Circulation (Transportation)
- Community Character and Design
 - Cultural Heritage
- Conservation, Rehabilitation, and Redevelopment
 - Safety
- Water Resources
 - Housing
- Parks, Recreation, Open Space and Trails
- Public Buildings, Services and Facilities
 - Cost of Development
- Economic Development
- Environmental Planning and Conservation

Capital Improvement Program

Neighborhood and Area Plans

Service Plans

Select Focus Areas

Transportation	Downtown	Growth	Neighborhoods	Economic Development	Good Government
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Budget Process

Focus Area Projects FY2005 (partial list)

- Regional Transportation Plan
- Road Recovery
- Bond Program Projects

- Rio Nuevo
- Stimulation of Private Investment
- Mixed-Use Housing

- Cost of Service Study
- Urban Design Guidelines
- Environmental Service Utility Conversion

- Construction of Two Fire Stations
- Library Construction
- Parks Facility Improvements

- Empowerment Zone
- Puerto Nuevo
- Workforce Development
- Business LINC

- Enhanced Customer Service
- Employee Benefits Program
- Library Governance

Track Accomplishments/Communicate Results

City Strategic Plan Focus Areas & Strategies

Transportation

1. Seek and obtain funding, and technological, informational, operational and other types of resources necessary to improve the transportation system.
2. Provide leadership, in collaboration with other agencies within the region, to address local and regional transportation system needs.
3. Develop more effective transportation systems that support alternative land use patterns and lead to a more efficient travel system.
4. Employ Community Character and Design policies in transportation projects.

Downtown

1. Aggressively manage downtown's redevelopment through partnering efforts with public and private organizations and individuals active in the downtown.
2. Provide a highly attractive urban center focused on the proposed entertainment experience area on Congress Street from Church Avenue to 4th Avenue, linked with the Tucson Convention Center and its adjoining proposed new Civic Plaza, Science Center and Arena.
3. Leverage private leadership and investment in downtown through targeted public investment.

Growth

1. Grow smarter in newly developing areas. This includes providing the capital and infrastructure planning needed to ensure the orderly and sustainable growth of the community.
2. Reinvest in the central city. Opportunities for investment and redevelopment in inner-city areas need to be understood and achievable implementation strategies need to be developed. The need for investment in aging infrastructure must be addressed through the City's capital improvement program.
3. Protect Tucson's character through good design. We must understand the history of our built environment, and provide achievable solutions to correct existing deficiencies, and ensure that past mistakes are not repeated.
4. Improve services and infrastructure to address the demands of a growing community. The costs associated with growth needs to be understood for appropriate capital improvements planning and budgeting. This includes funding strategies, such as impact fees, community facilities districts, county and state funding and other sources. New development must finance its fair share of capital costs.
5. Address the impacts of an aging housing stock and develop programs to assist with maintenance and replacement needs.

Neighborhoods

1. Community Safety and Citizen Participation - Ensure community safety by improving police and fire staffing levels and developing programs to support them. Establish better communication between government and constituents to improve service delivery and citizen participation.
2. The Built Environment – Invest public funding and encourage private investment through partnerships to enhance the appearance and livability of Tucson's neighborhoods. Continue restoration of public funding to complete or initiate needed infrastructure such as sidewalks, lighting, and public buildings and facilities.
3. The Natural Environment – Respect and preserve our natural resources by investing in parks, trails and open space.

Economic Development

1. Foster a strong, diversified economy by encouraging the creation, attraction, and retention of businesses that provide knowledge-based, high-quality employment opportunities for a prepared and successful workforce base.
2. Improve community infrastructure to support and encourage economic expansion and opportunity in a global marketplace.
3. Increase the Mexican tourism economic impact on the region through strategic marketing efforts and partnerships.

Good Government

1. Improved Customer Services – by positioning the City to provide the highest level of customer service to city residents and the community at large.
2. Prepared Workforce – enable and support the development of a prepared and successful employee workforce that is aligned with organizational priorities.
3. Fiscal Responsibility – optimize the streamlining of organizational processes to ensure quality services and fiscal responsibility.
4. Expand Use of Technology – by capitalizing on technology to improve service and increase efficiency, ensuring public and employee safety, exercising appropriate environmental stewardship and providing greater information access.
5. Strengthen Partnerships – by building a strategic network of partnerships that aim at bettering community life, eliminating redundant services and stretching the value of the taxpayer's dollars.

Transportation Focus Area

Introduction:

Travel demand continues to grow faster than our population, and faster than our ability to provide transportation system improvements. The growth in travel demand has resulted in increased traffic congestion, poor driving habits and, consequently, an increase in frustration among drivers. The overall safety of our system remains a major concern to all of us. Neighborhood streets are deteriorating with age and many Tucson neighborhoods still lack adequate lighting, sidewalks, and storm drains. Although ridership levels on public transit are increasing slightly, service levels have not been able to keep pace with needs, so overcrowding on certain peak hour trips is a growing problem.

Available funding for transportation falls short of existing needs—both in the City of Tucson and throughout the region. Funding for new projects and services is also strained due to the growing costs of operation and maintenance. The challenge of stretching inadequate resources is further complicated by the historic pattern of unincorporated areas being developed and then annexed into the City, resulting in inadequate transportation infrastructure that requires costly retrofitting and improvement. A better plan would be to locate mixed-use housing, retail services, and jobs closer together to encourage the use of public transit, bicycle or multi-use paths, and related alternative modes of transportation that provide options other than continued dependence on automobile use.

The City of Tucson currently lacks a local, dedicated funding source for its transportation needs. A Regional Transportation Authority (RTA) has been authorized and will develop a regional transportation plan. Along with the plan, the RTA will develop a companion proposal for an increase in the County's sales tax that will go before voters in early 2006. This effort will help address regional mobility but will still leave the City with a funding shortfall for the repair and refurbishment of our existing infrastructure needs. Revenue sources for these long-neglected services must be identified and secured.

Strategic Policy Statements:

1. Seek and obtain funding, and technological, informational, operational and other types of resources necessary to improve the transportation system.
2. Provide leadership, in collaboration with other agencies within the region, to address local and regional transportation system needs.
3. Develop more effective transportation systems that support alternative land-use patterns and lead to a more efficient travel system.
4. Employ Community Character and Design policies in transportation projects.

1. Seek and obtain funding, and technological, informational, operational and other types of resources necessary to improve the transportation system.

Priority Projects:

Road Recovery - Construct and Repair 40 miles of City Streets – This program consists of pavement rehabilitation for 40 miles of the City's streets to protect our infrastructure investment and improve ride quality. Pavement rehabilitation will employ a variety of strategies depending on the existing pavement condition. These will vary from the application of a thin pavement resurfacing material such as micro-surfacing, to milling the surface of the existing pavement and resurfacing with a new rubberized hot-mix asphalt overlay, to a complete

removal and replacement of the existing pavement structure. An extensive public outreach program will guarantee that property owners adjacent to the construction sites are notified prior to the start of the project, and thank you letters will be sent, notifying them when the project is complete. Local media will also be notified of all project schedules and asked to help assure that the public is kept well informed.



Van Tran Service Improvements – The Van Tran Service Improvement Project entails adding additional necessary resources including but not limited to vans, drivers, dispatchers and supervisory staff. This will ensure that ADA-eligible Van Tran passengers are never denied rides on Van Tran when requested; that they are picked up in a timely manner; and that they are not subjected to trips that are excessively long in relation to comparable rides on the fixed-route Sun Tran system.

Federal and State Legislative Agenda – The City of Tucson benefits annually from the designation of funds for projects targeted by Congress through the Transportation Appropriations bill. Lobbyists for the City follow the legislative agenda to protect regional revenue sources and to seek support for funding City of Tucson priorities.

2. Provide leadership, in collaboration with other agencies within the region, to address local and regional transportation system needs.

Priority Projects:

Regional Transportation Authority (RTA) – The newly established Regional Transportation Authority provides an historic new structure and opportunity for elevating the regional transportation system above the jurisdiction level and providing a major new funding source for developing the regional system in the future. The Regional Transportation Plan (RTP) is a detailed, multi-modal long-range plan for future transportation investments throughout eastern Pima County. The City will support the Regional Transportation Authority in updating the RTP and building public support for the RTA's funding proposal. The current RTP update will result in a plan for investing public revenue in our region's roadways, bikeways, bus, pedestrian and rail systems through the year 2030. The RTP will integrate the policies, land-use implications and transportation plans of local jurisdictions, and will integrate a new funding source with the revenue sources currently available to implement the plan. It is anticipated that the RTA will forward the RTP and a funding proposal to the voters in the spring of 2006.

Pima County 1997 Bond Program Projects within the City – The goal of this project is to secure guaranteed County funding for City Projects and to convert appropriate projects to management and construction by City staff. This will involve the implementation of the understanding established in the May 2004 Memorandum of Understanding

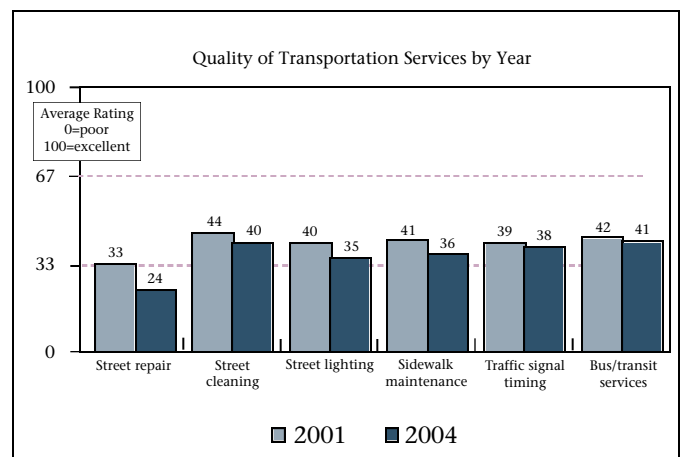
between Pima County and the City of Tucson for Alvernon Way, Valencia Road, Country Club, Kino Boulevard at 22nd Street and Broadway Boulevard. In the case of Broadway Boulevard, the recommendations of the 1990 Broadway Corridor plan will be updated accordingly to address opportunities associated with potential advanced mass transit systems in the future.

Project Construction Coordination with Pima County and ADOT

– This project will involve establishing an on-going committee, with membership comprised of construction managers and traffic engineers from various governmental agencies (City, County and State), to provide a structured forum within which the various agencies can meet. These joint monthly-as-needed meetings would address schedule coordination for each entity's respective current and upcoming construction projects with the intent to minimize delays to, and frustrations of, the traveling public and to help reduce air pollution.

Undergrounding Tucson Electric Power

Facilities – As new transportation infrastructure is built, overhead TEP facilities are relocated underground with funds set aside from utility franchise fees. Local partner agencies will coordinate efforts to place existing utilities underground at strategic locations. These funds will be reserved for undergrounding projects that will have substantial visual impact.





Sidewalk and Landscaping Improvements –

The City of Tucson will provide new sidewalks and landscaping improvements as part of a larger effort by the City Department of Transportation to improve both safety and aesthetics throughout the community. This project consists of the construction of missing sidewalk sections, installation of irrigation lines and controllers, median rock work and the planting of trees throughout the City.

3. Develop more effective transportation systems that support alternative land use patterns and lead to a more efficient travel system.

Priority Projects:

Barraza-Aviation Parkway – 4th Avenue

Underpass Construction – A new underpass will be constructed to accommodate two lanes of traffic, two tracks for the historic trolley, two bicycle lanes, and two wheelchair-accessible sidewalks underneath the Union Pacific Railroad tracks. The existing historic Fourth Avenue Underpass will be refurbished with improved lighting and decorative paving and restricted to pedestrian use. Landscaped plazas will be constructed at both ends of the project.



4. Employ Community Character and Design policies in transportation projects.

Priority Projects:

Downtown Tucson Intermodal Center –

The Downtown Tucson Intermodal Center is a phased effort that includes facilities for multiple transportation elements in the eastern end of the downtown area. Passenger trains, inter-city bus service, intra-city bus service, an historic trolley, bicycle, pedestrian, shuttle, rental car and parking facilities will all be accommodated. The project also includes retail, restaurant and office space, parking and a transportation museum. The project will be accomplished in phases.



Update/Implement Transportation Design

Guidelines – The City's Transportation Department will revise existing transportation project guidelines to include roadside landscaping and development standards that are consistent with the Community Character and Design element of the General Plan.

Downtown Focus Area



Introduction:

Tucson is at a crossroads with respect to the future of its downtown, the core of our metropolitan region. Tucsonans face a choice of living in a good city with a downtown of no particular note or in a great city known for its world-class downtown.

Tucson's downtown would:

- be full of life beyond the weekday hours of 8 a.m. to 5 p.m., teeming with new residents craving an exciting urban lifestyle
- be frequented by visitors and Tucsonans alike, eager to enjoy the experiences of a variety of cultural, artistic, retail, and entertainment venues
- celebrate the rich history and traditions of Tucson through the built environment, while respecting and enhancing the natural environment

This vibrant vision of downtown Tucson can be realized, but it requires more than just implementation of the Rio Nuevo Master Plan. Rio Nuevo is but a part of the downtown, and essentially the City's contribution to a much larger revitalization strategy. The projects within the Rio Nuevo district are intended to leverage private sector development and reinvestment. Rio Nuevo is then the catalyst for the private sector activity that will take downtown Tucson to the next level. The tax increment revenue from the State began to stream in FY 2004 and much progress was made on critical projects. However, more needs to be done to stimulate the downtown marketplace. Toward that end, the City will ensure a clear and predictable regulatory environment; be proactive in seeking out and facilitating economic development; and forge partnerships to enhance capacity.

Strategic Policy Statements:

1. *Aggressively manage downtown's redevelopment* through partnering efforts with public and private organizations and individuals active in the downtown.
2. *Provide a highly attractive urban center* focused on the proposed entertainment experience area on Congress Street from Church Avenue to 4th Avenue, linked with the Tucson Convention Center and its adjoining proposed new Civic Plaza, Science Center and Arena.
3. *Leverage private leadership and investment* in downtown through targeted public investment.



1. Aggressively manage downtown's redevelopment through partnering efforts with public and private organizations and individuals active in the downtown.

Priority Projects:

The Post Project (a.k.a. Thrifty Block Redevelopment) – The former “Thrifty Block” located from 26 to 72 East Congress Street in downtown Tucson was sold to a local developer following Mayor and Council approval. The sale will result in the construction of approximately 60 condominiums, 13,000 square feet of ground floor retail space, and parking garage. The property, acquired from the U.S. General Services Administration, is another step toward making downtown Tucson a livable urban environment. The project scope will also include the preservation and renovation of an historically significant building.

Warehouse Arts District Master Plan – The City will continue to assume responsibility for ADOT property and buildings in Tucson's Warehouse Arts District. As each property comes into the City's inventory, the City will fund major structural work as needed. Once this is done, the master leaseholder will be responsible for obtaining a certificate of occupancy from the City Development Services Department. The Warehouse Arts District Master Plan calls for realigning the Barraza-Aviation parkway on the north of the railroad tracks. A public involvement process will begin in late spring 2005 to develop this new alignment and bring it to the Mayor and Council for approval. This will be necessary in order to make the Warehouse Arts District Master Plan viable as a unified, pedestrian/visitor friendly arts district.

Fox Theatre Restoration – Restoration of the Historic Fox Theatre on Congress Street continues. As part of Rio Nuevo's downtown revitalization, the once popular Tucson landmark will be restored to its original luster.

Rialto Theater/Block Redevelopment – The Rio Nuevo Board and Citizens Advisory Committee have approved \$1.9 million in Rio Nuevo funds for the acquisition of the historic theatre and its renovation. The theatre will be programmed for wider audiences. This project is Phase I of a larger plan to redevelop the Rialto Block into a mixed-use facility.

Depot Plaza Mixed Use Development – Located across Toole Ave. from the Historic Train Depot, this 2.3-acre site is planned for mixed-use redevelopment with market and affordable housing and commercial space. The planned housing, restaurant, office and retail space will center on a public plaza in east downtown.

Historic Depot – Beautifully restored to its 1941 façade, the Historic Depot is an anchor for the East End and the first of the major Downtown revitalization projects to be completed. Currently retail shops, an artist gallery and offices fill the Depot with anticipation of a restaurant filling the remaining space. These tenants give residents and visitors alike even more reasons to visit the East End.



Mercado at Menlo - The Rio Development Company will develop 200 housing units and 16,000 square feet of retail/commercial space in the Mercado District of Menlo Park. The housing development will be a mix of 116 affordable and market-rate, single-family residences, 60 apartments and 24 townhomes. All 200 units will be constructed at a variety of price points and diverse styles.

Presidio Terrace (Lot 7, El Presidio Development) – Vacant land adjacent to Tucson Water's headquarters and across from the Tucson Museum of Art will soon encompass a 60-home residential development designed to reflect the history and unique character of the El Presidio neighborhood. Neighborhood-friendly commercial space and an attractive parking facility will also be included at Presidio Terrace in this multi-level structure designed to portray the “sense of place” unique to Tucson.

General Services Administration (GSA)/ U.S. Attorney's Office Building Development – The General Services Administration (GSA) will lease 70,000 square feet of office space to accommodate the United States Attorney's Office, who must move by the Fall of 2006 to make room for new judicial space requirements within the Federal Courthouse. Several interested development teams formally recommended the property immediately west of the City-State Parking Garage on West Congress. In their opinion, this site would offer the most reasonable proximity to the courthouse, excellent exposure, excellent vehicular access and parking, and an opportunity for the facility to make a positive impact as a gateway to downtown.

2. Provide a highly attractive urban center focused on the proposed entertainment experience area on Congress Street from Church Avenue to 4th Avenue, linked with the Tucson Convention Center and its adjoining proposed new Civic Plaza, Science Center and Arena.

Priority Projects:

Civic Arena – As part of the Rio Nuevo downtown revitalization project, the City of Tucson may build a state-of-the-art multipurpose arena and event center to replace the functionally obsolete existing facility. This arena is a key element of the new civic plaza and overall downtown master plan. Such a facility will attract more events to the community, bring more visitors to downtown, and provide substantial new revenue sources. An RFQ process has identified Team Zocalo as the potential team to develop an arena downtown. Conventions Sports and Leisure has been selected to perform a feasibility study on a possible new arena.



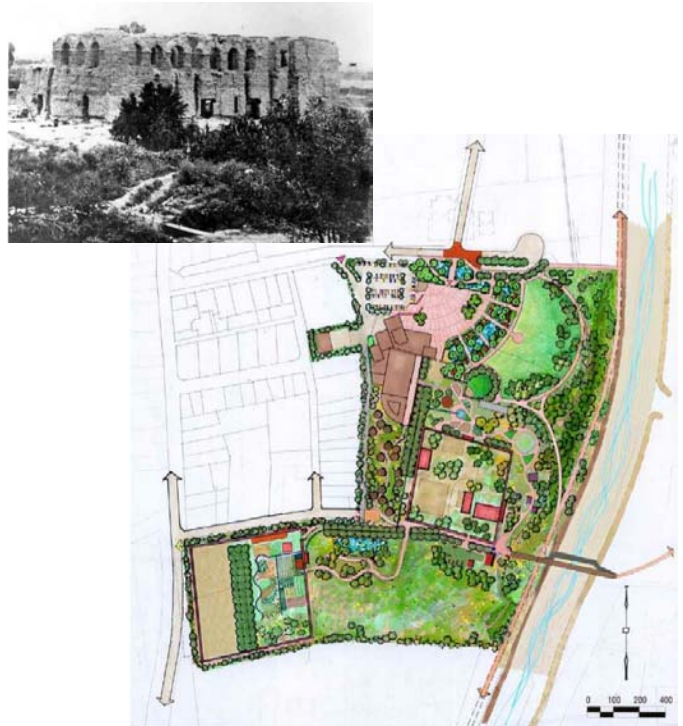
Tucson Origins Heritage Park – The Tucson Origins Heritage Park is one of the cornerstone elements of the Rio Nuevo project. Tucson Origins will celebrate 11,000 years of Tucson history with attractions on both sides of the Santa Cruz River. On the west will be a reconstruction of the Mission San Agustin complex from the late 1700s, including the development of Mission Gardens, the re-creation of a Piman village, a new interpretive center and open space. The intention is to create a very special “sense of place” on the west side of the river. On the east, in the heart of downtown, the Tucson Presidio will be interpreted at Church and Washington Streets. The two project elements will be linked through interpretive and physical linkages across the river and interstate.

Civic & Cultural Plazas – The Civic and Cultural Plazas will serve as a centerpiece linking the downtown Rio Nuevo District to the communities surrounding it. In addition to public open space and parking amenities, the plazas will provide museums, retail, hotel and residential redevelopment opportunities. Major features include the University of Arizona Science Center, historical museums, and a proposed new civic arena.

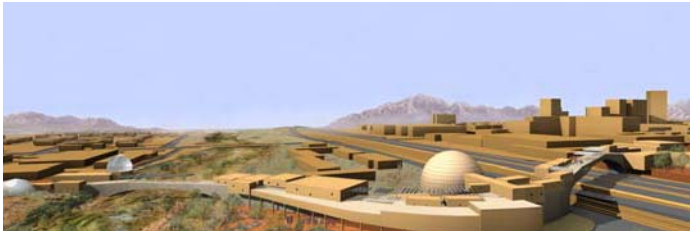
City Co-Sponsored Community Events – The Mayor and Council allocated funds to help underwrite specific community events in the downtown area. These events draw residents and visitors to downtown to participate in activities that feature entertainment, education, retail-opportunities and the arts.

Mayor’s Back to Basics Projects – Back to Basics funds are appropriated annually by the Mayor and Council and can be used for public improvements and to assist property owners and businesses throughout the city.

Congress Streetscape Plan – Congress was identified as the entertainment corridor in the Rio Nuevo Master Plan and in keeping with that idea, the City prepared a comprehensive plan for public improvements along Congress between 4th Avenue and Church Avenue. The City hopes these improvements will enhance visitor, worker, and resident experiences and attract new investments.



Science Center Development – The \$100 million University of Arizona Science Center will include fourteen major components dramatically positioned along a bridge that spans Interstate 10 and the Santa Cruz River. The Science Center, which could open by mid 2008, would include a variety of attractions, including the Flandrau Science Center, Southern Arizona's first giant-screen IMAX Movie Theater, a café, and shops.



Conversion of One-Way Streets to Two-Way – The adoption of the Rio Nuevo Master Plan called for the conversion of all the one-way streets downtown to two-way streets. These streets include Broadway Blvd., Congress Street, Sixth Ave., Stone Ave., Pennington Street and Alameda Street. The traffic engineering study that was completed last fiscal year indicates that nearly 70% of all traffic entering the downtown area is passing through to destinations other than downtown. Successful downtowns are destinations themselves not throughways to another stop. Two-way streets will support the “to, not through” mantra of the Tucson Downtown Alliance.

In a 2004 planning study the concept of retaining the one-way pairs for Broadway and Congress, but reducing them to two lanes from the current three, was discussed in conjunction with the goal of getting more sidewalk space and parking in the downtown core. That option is being investigated and will be included in discussions with the community and downtown developers.

3. Leverage private leadership and investment in downtown through targeted public investment.

Priority Projects:

Plaza San Agustin Redevelopment –

A group of downtown supporters and investors have spearheaded a conceptual plan for a mixed-use development on South Stone to include retail, housing and a public plaza. Pre-development plans include 62 homes (from 800 to 2,105 square feet, priced from \$135,500 to \$356,000) built over plaza-level commercial and retail space. The proposed Plaza San Agustin would replace surface parking lots and is anchored by the architectural and historic landmark, St. Augustine Cathedral.

Rio Nuevo Pre-Development Planning – The Rio Nuevo Office has identified 3 strategic mixed-use development opportunities in the downtown area: 1) Block 175 owned by the Downtown Development Corporation, 2) 25 acres east of Mercado at Menlo and adjacent to the Santa Cruz, and 3) the corridor from 22nd/I-10 to Cushing. Each site will be assessed to determine overall feasibility, appropriate uses, land availability and assemblage needs, and absorption implications. Development priorities will be established in Fall 2005 based on market analysis.

Rio Nuevo Regulatory Framework – The Rio Nuevo Board would like to enhance the climate for downtown reinvestment by ensuring that: 1) the entitlement processes are predictable and efficient, and 2) the regulatory codes and standards are unambiguous.

Rio Nuevo Fiscal Management – In an effort to actively monitor all of the funding sources and expenditures related to the Rio Nuevo redevelopment, the Rio Nuevo staff will continue to prepare quarterly updates of a 10-year Capital Budget forecast for each Rio Nuevo District-sponsored project from 2004 to 2012. They will also secure operating budget approvals on an annual basis and monitor TIF funding flow from State of Arizona and all district expenditures on a monthly basis.

Private Residential Development – One of the goals of Rio Nuevo is to help increase private development in the Rio Nuevo district and downtown in general. The city has set a goal of developing 2,000 housing units by 2006.



East Elevation

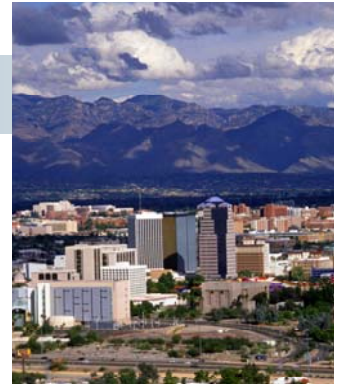


North Elevation

Growth Focus Area

Introduction:

The projects in the Growth Focus Area are aimed at effectively managing the rapid growth and development that Tucson continues to experience. The Growth Focus is also aimed at improving the quality of life in the established part of the city, including necessary investments, redevelopment opportunities, and enhancing the qualities that make Tucson unique. Long range planning to accomplish these goals continues to be the highest level priority for the City of Tucson.



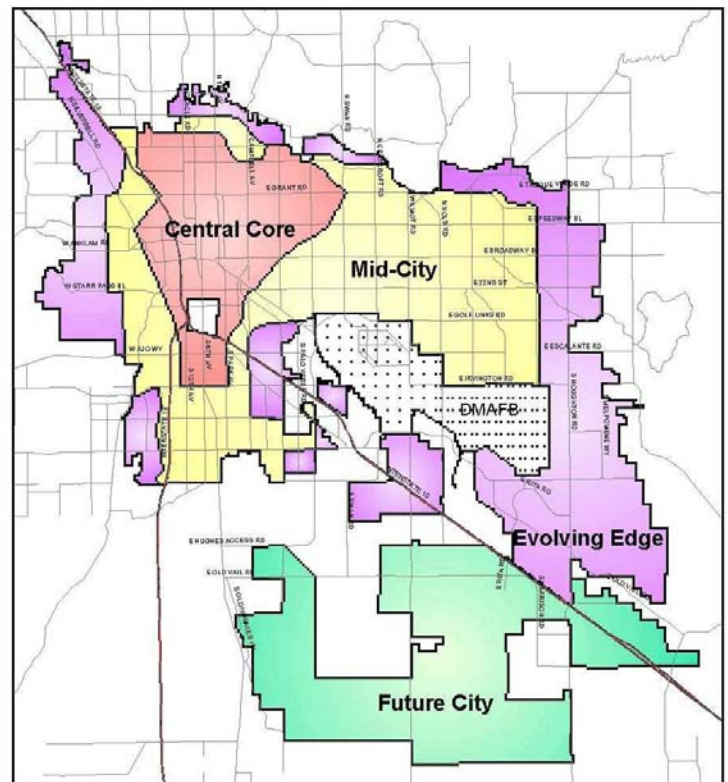
The City of Tucson's General Plan, which was adopted by voters in 2001, designates four growth areas depicted in the map below. Each of these areas, the "Central Core," "Mid-City," "Evolving Edge" and "Future City" recognizes the unique stage of evolution of various sections of the City. Each growth area has a separate set of policies reflective of development characteristics, infrastructure availability, and future population growth.

As Tucson continues to grow, our existing land use pattern needs to progress to one that features mixed-use development and a range of densities, while ensuring neighborhood compatibility. A more sustainable land use pattern maximizes the utilization of our resources in providing desirable and necessary infrastructure and services to our citizens. It also allows for open space preservation and the incorporation of the natural environment into the built environment. Planning is essential to ensure that the challenges and opportunities in each growth area are understood, prioritized, and effectively implemented. In addition, building effective partnerships, with other governments in the region and with the private sector are key to success.

Strategic Policy Statements:

1. *Grow smarter in newly developing areas.* This includes providing the capital and infrastructure planning needed to ensure the orderly and sustainable growth of the community.
2. *Reinvest in the central city.* Opportunities for investment and redevelopment in inner-city areas need to be understood and achievable implementation strategies need to be developed. The need for investment in aging infrastructure must be addressed through the City's capital improvement program.
3. *Protect Tucson's character through good design.* We must understand the history of our built environment, and provide achievable solutions to correct existing deficiencies, and ensure that past mistakes are not repeated.
4. *Improve services and infrastructure to address the demands of a growing community.* The costs associated with growth needs to be understood for appropriate capital improvements planning and budgeting. This includes funding strategies, such as impact fees, community facilities districts, county and state funding and other sources. New development must finance its fair share of capital costs.
5. *Address the impacts of an aging housing stock and develop programs to assist with maintenance and replacement needs.*

City of Tucson Growth Areas



1. Grow smarter in newly developing areas. This includes providing the capital and infrastructure planning needed to ensure the orderly and sustainable growth of the community.

Priority Projects:

Houghton Area Master Plan – This project involves master planning of approximately 9,000 acres on the City's eastern edge along Houghton Road between Tanque Verde Road and Interstate 10. Much of this area is now vacant or is underdeveloped and will experience tremendous growth in the future. It is critical that the City plan ahead to guide development in this area. This project will be a comprehensive planning effort that integrates and updates land use, transportation, infrastructure and service plans into a legally adopted land use plan.

Plan for Annexation – The Mayor and Council approved a Plan for Annexation in 2004. The plan includes an analysis of the effects of urbanized unincorporated areas on the City, planning areas for future annexations, priority areas for annexation, strategies for successful annexation and the identification of legislative initiatives. The plan also provides for initial regional planning guidance for adjacent undeveloped areas. Messages about annexation will be refined and will be targeted toward residential and non-residential annexations. Opportunities for cooperative planning initiatives between the City, County, State and Federal governments will be identified and pursued.

2. Reinvest in the central city. Opportunities for investment and redevelopment in inner-city areas need to be understood and achievable implementation strategies need to be developed. The need for investment in aging infrastructure must be addressed through the City's capital improvement program.

Priority Projects:

Tucson Major Transit Investment Study / Alternative Analysis - This project will analyze mobility needs and compare the costs, benefits, and impact of transportation alternatives along key corridors that link downtown to the University of Arizona and University Medical Center. This analysis is the first step toward securing Federal Transit Administration funding for high capacity transit improvements in this area. An important focus of the study will be looking at land uses along the corridors and the potential for redevelopment, economic development and transit-oriented development opportunities that will help make transit improvements successful.

Historic Preservation Plan – The City shall initiate the development of a historic preservation plan, working closely with the Tucson-Pima Historic Commission, neighborhood organizations, the local design community and others. The goal of the plan will be to identify priorities for historic preservation and establishment of a list of eligible properties and historic districts. The plan will address all periods of architecture, including the Post WWII era.



3. Protect Tucson's character through good design. We must understand the history of our built environment, and provide achievable solutions to correct existing deficiencies, and ensure that past mistakes are not repeated.

Priority Projects:

Urban Design: Building & Development

Guidelines – The purpose of this project is to implement guidelines and provide incentives for development that improves the appearance and functioning of the urban environment. New development must preserve positive aspects of the community's character. This program will address urban design issues through design education and standards, land use code amendments, and community participation. The Community Design Academy, which stemmed from the Sonoran Institute's "Building from the Best of Tucson" program, seeks to educate citizens on development practices that reflect high civic quality, local character and environmental sensitivity. A series of amendments have been approved and will be proposed in support of this project. Additional modifications will be reviewed with input from neighborhood organizations that are working in conjunction with community stakeholders.

Landscape Management Program – This project involves the creation of a comprehensive landscape management plan for the City. This will include the establishment of standards for planting and maintenance across city departments and the private environment. Guidance relative to soil suitability, maintenance, consistency between public and private property, and irrigation standards will be provided. The determination of roles and responsibilities for the urban landscape will be assessed.



4. Improve services and infrastructure to address the demands of a growing community. The costs associated with growth needs to be understood for appropriate capital improvements planning and budgeting. This includes funding strategies, such as impact fees, community facilities districts, county and state funding and other sources. New development must finance its fair share of capital costs.

Priority Projects:

Cost of Service Study - The Mayor and Council directed staff to undertake a "cost of service" study to examine the feasibility of implementing development impact fees as directed through the voter approved General Plan. In FY2004 feasibility study was completed and stakeholder group formed which resulted in the adoption of impact fees for parks and roads. During FY2005 refinements to the impact fee ordinance will be evaluated. In addition, the use of impact fees for other types of capital improvements will be explored.



2004 Pima County Bond Program – Pima County held a bond election in May 2004 to fund projects in the areas of open space, neighborhood investment and public safety. Throughout the year, City staff worked with the County to advocate for City needs and City projects. Albert Elias was the City's representative on the bond planning committee. The City's focus on the 2004 Pima County Bond project has now transitioned to implementation. For each project that the City is managing, a City department has been assigned to oversee the project to completion. Staff is also tracking City requested projects that Pima County is managing.

Long Range Water Resource Plan – The Tucson Water Department has completed a draft comprehensive update of its Water Resources Plan 1990-2100 to initiate a dialogue between Tucson Water and the community about the water-resource challenges which must be addressed in the coming years. The goals of Water Plan 2000-2050 are to meet future demand for water resources in a manner that is environmentally sound, cost-effective, meets State regulatory requirements and provides water that is acceptable and affordable. Water Plan: 2000-2050 identifies several critical decisions that must be made by the community and decision-makers at key points in time. Tucson's Mayor and Council directed Tucson Water staff to begin an education and public involvement process that will ensure that the community has the information necessary to make these critical decisions and is provided with many opportunities for input and discussion.

In developing this revision, the Department used an innovative planning strategy that provides a recommended pathway to meet water needs through the year 2050, yet allows maximum flexibility to meet future challenges and take advantage of opportunities that may occur.

Stormwater Basin Management Program –

The City will develop a work unit to inventory, map and inspect all existing and future private detention/retention basins on a regular basis to ensure community compliance with the City's drainage manual and standards.



5. Address the impacts of an aging housing stock and develop programs to assist with maintenance and replacement needs.

Priority Projects:

PIA Inspection Program – Create a new fee-for-service inspection program, which will inspect residential subdivision infrastructure slated to be turned over to the City for operational maintenance. The creation of this inspection unit comes as the result of discussions with the home building industry who asked for a comprehensive and streamlined inspection program.

Infill Redevelopment Strategy - This effort seeks to encourage infill and redevelopment in the growth areas identified in the General Plan: "Central Core," "Mid-City", "Evolving Edge" and "Future City". These different growth areas require different strategies and policies to address current challenges and to build upon future opportunities. Criteria will be developed that will include an inventory of eligible properties, developer incentives, neighborhood input processes, and other approaches for identifying appropriate infill and redevelopment.



Neighborhoods Focus Area

Introduction:

Tucson is a livable community composed of many healthy and diverse neighborhoods. The City of Tucson can enhance the livability of the community through policies that relate to the human environment, the built environment, and the natural environment. As noted in Tucson's General Plan, "The greatest potential for achieving strong, healthy neighborhoods is through the combined efforts of neighborhood residents, City agencies, schools, and local businesses."



Strategic Policy Statements:

1. *Community Safety and Citizen Participation* - Ensure community safety by improving police and fire staffing levels and developing programs to support them. Establish better communication between government and constituents to improve service delivery and citizen participation.
2. *The Built Environment* - Invest public funding and encourage private investment through partnerships to enhance the appearance and livability of Tucson's neighborhoods. Continue the restoration of public funding to complete or initiate needed infrastructure such as sidewalks, lighting, and public buildings and facilities.
3. *The Natural Environment* - Respect and preserve our natural resources by investing in parks, trails and open space.

1. Community Safety and Citizen Participation – ensure community safety by improving police and fire staffing levels and developing programs to support them. Establish better communication between government and constituents to improve service delivery and citizen participation.

Firefighter Hiring – Hiring and training additional firefighters to staff two new fire stations projected to open January 2005 and to fill vacancies due to on-going attrition will allow Tucson Fire Department to continue providing the community with timely emergency medical and fire suppression services.

Priority Projects:

Geo-based Neighborhood Improvement Initiative – Using a geographically based approach that follows the Tucson Police Department's division boundaries and successful tactical operations planning model, City service providers from multiple departments will meet regularly to refine service delivery and to target priority issues in a collaborative manner. City staff will also emphasize improved communication with constituents and community partners to ensure all neighborhood assets are focused on positive change in a coordinated way. Examples of issues to be addressed under this approach are all items covered by the City's Neighborhood Preservation Ordinance, with special emphasis on vacant and neglected residential properties. The goal will be abatement, rehabilitation or reuse whenever possible.



Police Hiring – Hire 110 Police Officers to bring the department's total number of commissioned personnel to 1,001. This will improve response times to the community's increasing calls for service. Also, hiring 14.5 non-commissioned support positions will respond to the increasing need for forensic support services. A reorganization of the Tucson Police Department command structure will also occur, to insure that there is appropriate oversight and focused attention on critical issues as the ranks of the police department grow.



Fire Safety Inspections – The addition of four inspector positions for both FY 2005 and FY 2006 will allow Tucson Fire Department to increase the inspection cycle for most businesses from once every ten years to once every four years. These positions will allow state-mandated inspection of public, private, and charter schools, and to address other inspection needs. These inspectors will also be key personnel involved in the Geo-based Neighborhood Improvement Initiative listed previously in this plan, working with staff from other departments on critical issues such as vacant and neglected properties.

Work Alternative Program Pilot - Develop a program where citizens who have court ordered fines or sanctions are able to meet their obligation by working on various City department projects in lieu of paying the fines or sanctions. The program, which will start as a pilot program with Department of Neighborhood Resources, involves citizens working directly on projects for various City departments in the areas such as graffiti abatement, parks maintenance, roads and landscape maintenance, clerical support and neighborhood support. If successful, the program will be expanded to other City departments.

Booster Seat Initiative – The Tucson Fire Department is leading an effort for state legislation to require children under the age of eight to ride in child passenger restraint seats. A public-private sponsorship with the City of Tucson and Carondelet Health Network is underway to secure car seats to distribute to low income families.

Coordinated Qualification Process for Services to Low-Income Residents – Development of a standardized citywide process will allow low-income residents to become qualified for waivers or discounts to city services.

Automated Police Report Writing System – Implement an automated system that provides patrol officers with the ability to complete and submit police reports from their patrol vehicles.

2. The Built Environment – invest public funding and encourage private investment through partnerships to enhance the appearance and livability of Tucson's neighborhoods. Continue the restoration of public funding to complete or initiate needed infrastructure such as sidewalks, lighting, and public buildings and facilities.

Priority Projects:

Fire Stations 20 & 21 – Construction of both stations is projected to be complete by the end of January 2005. These two multi-company fire stations will provide timely response to emergency medical and fire suppression services to the north-central and northeast portions of the City, and provide some call volume relief to several fire stations in the vicinity.

Martha Cooper Library – The Board of Supervisors awarded a contract in early November 2004 for the construction of the Martha Cooper Library and Learning Center of the Tucson-Pima Public Library System. Construction will begin in December 2004. This library, which will serve high stressed midtown neighborhoods, is scheduled for completion in summer 2005.

Quincie Douglas Library – This library, which has won an architectural award from the American Institute of Architects for its design, will serve the surrounding high-stress neighborhoods in the Kino-36th Street area. This project is currently under construction and is projected to be complete in spring 2005. The library will open to the public in July 2005.



South Park HOPE VI – The South Park HOPE VI revitalization project is an important part of the City's plans to improve neighborhoods. Nearing completion in early 2005, the project removed or renovated outdated public housing, repaired many existing homes and added new affordable units. The neighborhood also welcomed new sidewalks, curbing and street lighting along with a renovated credit union and increased health services. Local businesses and residents are receiving help through a comprehensive set of economic development actions.

Back to Basics – The citywide infrastructure program will concentrate on providing a menu of project options to participating neighborhoods. An emphasis has been placed on better communication, transparent reporting and timely completion of projects.

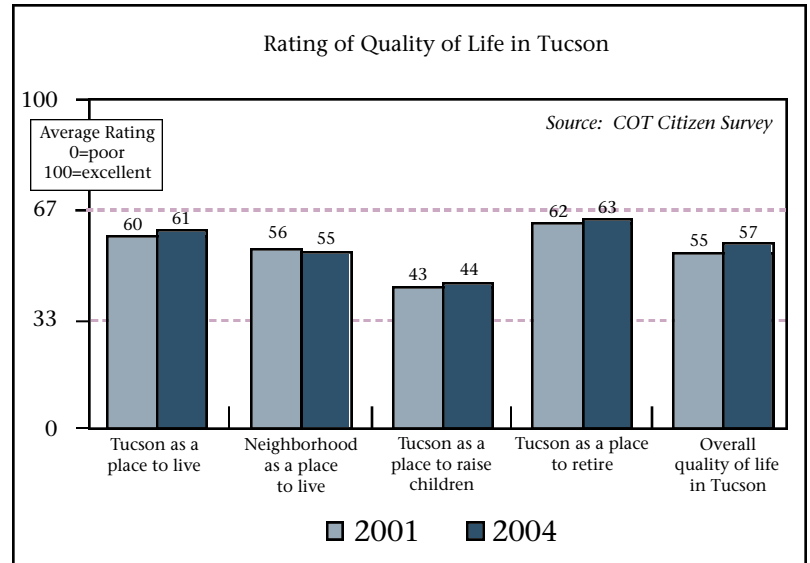
Westside Police Substation capital project – A vacant big-box store has been acquired to relocate the Tucson Police Department Operations Division West Substation and to provide long-needed workspace for other TPD functions. Community meeting space is also to be a part of this building. The first phase of remodeling is set to begin in FY 2005.

Pima County Justice Court/City of Tucson Municipal Court Complex –

As approved by the voters in the 2004 County Bond Election, bond funds have been allocated to design, construct and co-locate a joint city/county court building. This will be one of the largest public buildings in the downtown area. Planning and land acquisition is underway and design of the building is scheduled to begin in July 2005, construction in 2006 and completion of the complex in 2010.

Parks Deferred Maintenance and Facility Improvements

– The Parks and Recreation Department received additional funding in the FY 2005 budget to address deferred facility maintenance. Projects include bleacher replacement at the Rodeo Grounds, re-surfacing of parking lots, replacement playground equipment, Zoo, Hi Corbett, Reid Park improvements and re-plastering one pool.



3. The Natural Environment – respect and preserve our natural resources by investing in parks, trails and open space.

Priority Projects:

Completion of Parks Projects – The Parks and Recreation Department will complete many major capital improvement projects in FY 2005. The Edith Ball Adaptive Recreation Center will open in November in Reid Park and will feature an indoor therapy pool and an outdoor covered recreation pool. Expansions to the existing Udall and Northwest Centers will be complete. Park development projects at Desert Vista, Rita Ranch, Rio Vista, and Udall will be accomplished. Case Park will be completed in FY 2006. In FY 2006, El Pueblo and Clements Center expansions will be finished and a new swimming pool at Quincie Douglas will open.

Tucson Habitat Conservation and Open Space Plan – The City of Tucson was awarded a grant from the U.S. Fish and Wildlife Service to develop a Habitat Conservation Plan (HCP). The planning area consists of approximately 40 square miles within the southeastern part of the City of Tucson, the Santa Cruz River corridor and specific Tucson Water Department holdings in the Avra Valley. The HCP will contribute to the conservation and recovery of the endangered cactus ferruginous pygmy owl and Pima pineapple cactus. The planning process is an opportunity to comply with the provisions of the Endangered Species Act and identify areas that are appropriate for preservation and for development.

Economic Development Focus Area



Introduction:

Tucson's economy is predominantly service based, with many jobs tied to tourism, retail, and public service. More recently, regional economic growth has largely been fueled by population increases, not export-based economic expansion. To improve this situation, economic experts advise that we diversify our economy by expanding our manufacturing base, developing an infrastructure for international trade and logistics support, and increasing the number of companies in our region engaged in exporting products and services and importing dollars. Diversification is important because a strong and diverse economy provides a more stable job base, an increased number of quality, high-paying jobs, and a higher overall standard of living for area residents.

Economic development programs are focused on the creation of high-quality jobs through business attraction, retention/expansion, and start-ups. The business development efforts are then linked with educational programs and workforce development/training programs designed to ensure that Tucsonans possess the skills to qualify for the quality jobs.

The City continues to leverage its resources by partnering and providing coordination, as necessary, with private, governmental, and non-profit organizations to advance common regional goals. In addition, the City delivers programs to assist local businesses; develops, improves, and supports an appropriate tourism infrastructure; and fosters a mutually beneficial economic relationship with other regions, especially northern Mexico.

Without question, the success of the Mayor and Council in Economic Development is directly linked to success in the other five focus areas (Neighborhoods, Transportation, Downtown, Growth, and Good Government).

Strategic Policy Statements:

1. *Foster a strong, diversified economy* by encouraging the creation, attraction, and retention of businesses that provide knowledge-based, high-quality employment opportunities for a prepared and successful workforce base.
2. *Improve community infrastructure* to support and encourage economic expansion and opportunity in a global marketplace.
3. *Increase the Mexican tourism economic impact* on the region through strategic marketing efforts and partnerships.

Strategic Policy Statements:

1. Foster a strong, diversified economy by encouraging the creation, attraction, and retention of businesses that provide knowledge-based, high-quality employment opportunities for a prepared and successful workforce base.

Priority Projects:

Support Development of High Quality jobs through sponsorship of the Critical Path to Accelerate Therapies Institute (the C-PATH Institute) - The C-PATH Institute is a non-profit organization that will be established as a joint venture between the University of Arizona, SRI International and the U.S. Food & Drug Administration. The mission of the Institute is to conduct research and develop procedures that will enable the pharmaceutical industry to accelerate the development and approval of new lifesaving drugs and medications. This program may potentially advance medical care and cost savings for consumers, while acting as a catalyst for accelerating Tucson's biotechnology industry and creating jobs for Southern Arizona.

Expand BusinessLINC Program - The BusinessLINC program increases sales opportunities for southern Arizona businesses by linking local, national, and international buyers with local suppliers.

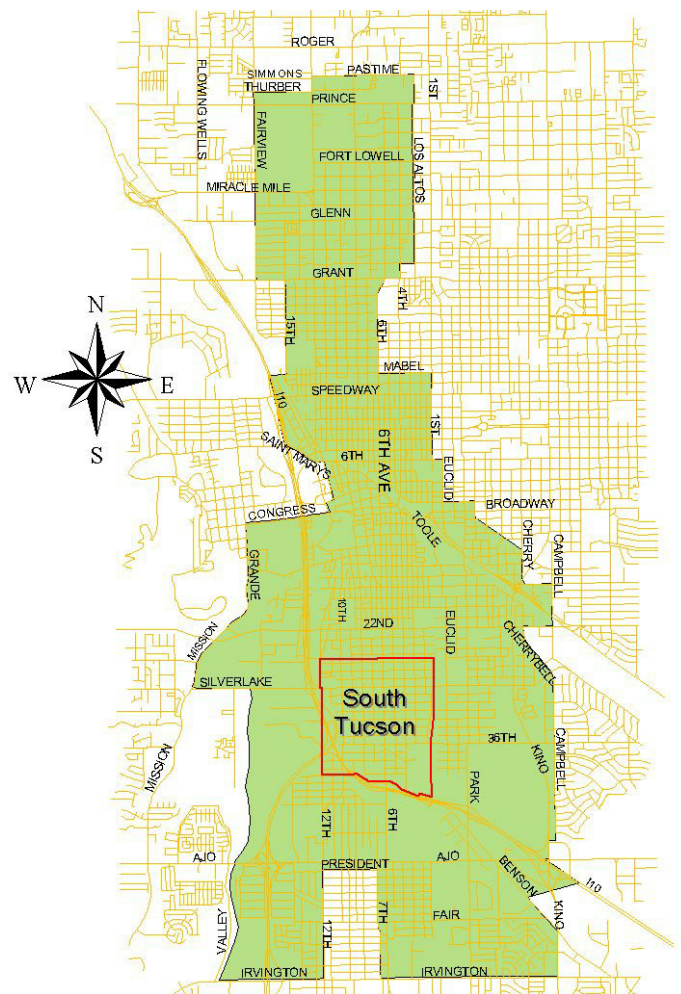
Assist Businesses with Employee Training - Local businesses are assisted in writing and managing State of Arizona job training grant applications to fund workforce training customized to meet the specific needs of local employers, create new jobs, and increase the skill and wage levels of employees in Tucson and surrounding areas.



2. Improve community infrastructure to support and encourage economic expansion and opportunity in a global marketplace.

Priority Projects:

Tucson Empowerment Zone - Business expansion and job growth within a federally-designated geographical zone is accomplished through federal income tax credits, tax exempt bond financing and federal accelerated depreciation for equipment. Tucson's empowerment zone designation promotes business within the City.



Regional Economic Development Strategy – Blue Ribbon Committee - A Blue Ribbon Panel on Economic Development comprised of individuals from the public and private sectors, including the City's Mayor, was formed in March 2004 to study and recommend fundamental changes in the way in which economic development activities are conducted in the region. The City and the County are currently negotiating the structure and mission of the proposed regional economic development entity.

Tucson New Markets Investment Corporation – The U.S. Department of the Treasury's New Market Tax Credit program permits taxpayers to claim a credit against federal income taxes for Qualified Equity Investments made to acquire stock or capital interest in designated Community Development Entities (CDEs). Designated CDEs must use substantially all of the proceeds to make Qualified Low Income Community Investments (QLICIs). Tucson has created a CDE and has applied for the tax credit allocation.

Peddler's Ordinance - The Tucson City Code section referred to as the Peddler Ordinance focuses on the licensing of individuals who intend to sell food or merchandise as a peddler within city limits. This ordinance had included fairly minimal requirements regarding the operational side of these businesses. Amendments to the ordinance are being considered due to residents' concerns about noise and blight and Police Department concerns about public safety. Revisions approved by Mayor and Council during the first quarter of FY 2004 include curbed hours of operation, peddler license expiration terms, set back requirements and a revocation procedure for operating violations.

3. Increase the Mexican tourism economic impact on the region through strategic marketing efforts and partnerships.

Priority Projects:

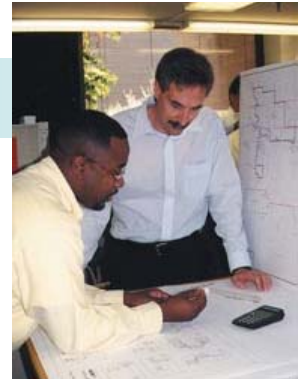
Mexican Visitor Tourism Strategic Marketing Plan – Vamos a Tucson, a community-based Mexico tourism effort, is focused on implementing the programs detailed in its 2003 Strategic Marketing Plan. The primary objective of the plan is to increase the economic impact on Tucson by Mexican visitors by increasing the numbers of visitors, increasing visit frequency, and encouraging visitors to extend their visits to enjoy more of what Tucson has to offer.

Puerto Nuevo – Tucson – The development of Tucson as an inland port and commerce center will facilitate the free and competitive flow of regional and international trade between the U.S. and Mexico, in addition to providing convenient cost-effective access to all corners of the fast growing global marketplace. Puerto Nuevo will enhance Tucson's capability to manufacture, market and distribute its products throughout the world. When completed, the port will integrate logistics services and facilities available in the areas of transportation, warehousing, manufacturing, research and international business services. It will also serve as a catalyst for creating new business sectors in the community.



Tucson-Mexico Passenger Train Service – This project would develop passenger train service from Tucson's downtown Historic Depot to routes in Northern and Western Mexico. Implementation of this rail passenger service would: 1) give Tucson a very unique and marketable character, and 2) convert Tucson into a hub for a new bi-national adventure tourism product.

Good Government Focus Area



Introduction:

The City of Tucson is committed to serving our diverse community by providing efficient services, in the most cost-effective manner. To be successful in each of the other five focus areas - Transportation, Neighborhoods, Downtown, Economic Development, and Growth- we must ensure that effective support services are provided within the organization. The focus area of Good Government includes projects that support improved customer service; enhance employee learning, growth, and productivity; expand the use of technology; and improve partnerships.

When the City received citizen input on service quality in a recent survey, there was notable room for improvement. Survey participants were asked to rate the overall quality of services provided by the City, and only 49% rated the organization “excellent” or “good.” The City is committing to become more effective and efficient in our work, and to increase communication and engagement opportunities with citizens on the return they are receiving from their taxes.

As our city grows, so does the demand for services. Data on all fronts show that City revenues are not keeping pace with this increased service demand. Finding better and cheaper ways to deliver services will continue to be a driving force of our workforce. While efficiencies can help raise service levels without new revenue, it will not be enough to close the gap between what is desired by community members and what they are currently willing to pay for. The City needs to continue efforts started in FY04 with the 5-Trends Report and the Citizen Finance and Service Review Committee.

In summary, the Good Government area is focused on managing the City’s human, financial and information resources to reach the goal of providing quality services in a cost-effective manner. The City is dedicated to the work ahead that further contributes to Tucson being a wonderful place to live.

1. *Improved Customer Services* – by positioning the City to provide the highest level of customer service to city residents and the community at large.
2. *Prepared Workforce* – enable and support the development of a prepared and successful employee workforce that is aligned with organizational priorities.
3. *Fiscal Responsibility* – optimize the streamlining of organizational processes to ensure quality services and fiscal responsibility.
4. *Expand Use of Technology* – by capitalizing on technology to improve service and increase efficiency, ensuring public and employee safety, exercising appropriate environmental stewardship and providing greater information access.
5. *Strengthen Partnerships* – by building a strategic network of partnerships that aim at bettering community life, eliminating redundant services and stretching the value of the taxpayer’s dollars.

During FY 2004, the following Priority Projects were completed in the Good Government Focus Area:

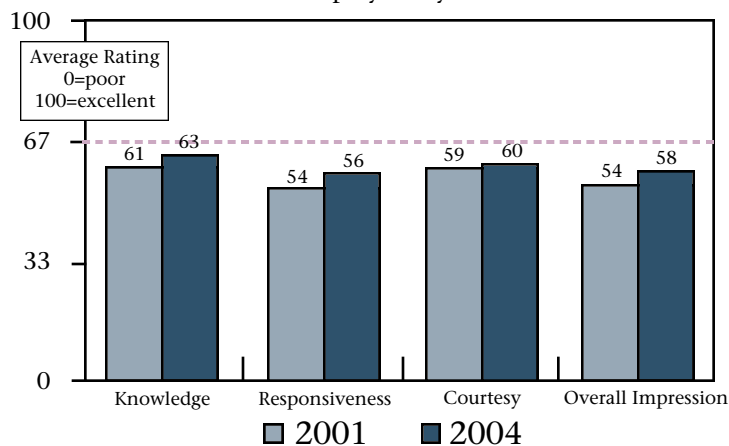
- Administered a citizen survey to gauge perceptions of City performance
- Revised the City’s Procurement Code and Procedures to ensure purchasing processes are as efficient and as fair as possible
- Continued to implement and refine the citizen referral system, STAR, to improve communication between citizens and city staff
- Created a self directed health care program for city employees
- Updated the Civil Service rules to improve their effectiveness
- Upgraded the City’s automated financial and accounting system to a web-based application
- Created a facilities management cost allocation system to significantly reduce paperwork and improve our cost tracking and billing system.

1. Improved Customer Services – by positioning the City to provide the highest level of customer service to city residents and the community at large.

Priority Projects:

Citywide Performance Measures – The performance measurement project will develop meaningful ways to measure the effectiveness of city services and link performance information to the city's budget. The use of performance measures in this way will allow the City to evaluate its programs, make decisions about funding and service levels, and show citizens what services they receive for their tax dollars.

Rating of Contact with the City of Tucson Employees by Year

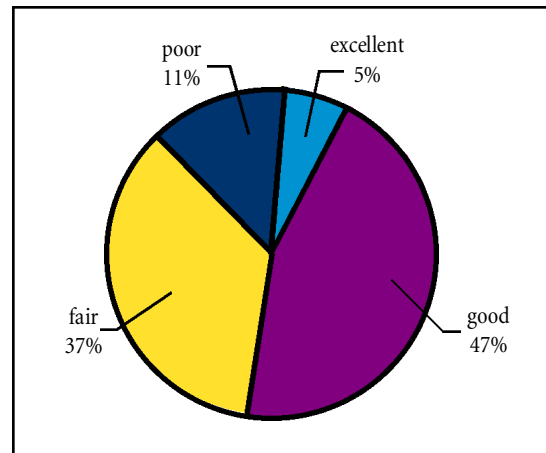


STAR (Shared Tracking Assignment & Review)

The City's automated constituent relationship management pilot program, STAR, is focused on accountability to citizens, by appropriately assigning, tracking, and reviewing the City's responses to constituent-initiated contacts. The project's objectives are to provide timely service, communicate constituents' views on the issues, identify issues about which citizens want more information, and improve service quality. This project is part of concerted, long-term effort to encourage constituents to join the conversations about community issues.

Efficient and Effective Government – Since FY 2001, the City has developed programs to promote continuous efficiency and effectiveness improvements in departments. The Management and Budget Department works with departments to identify areas for efficiency improvements. The Police Department has received national accreditation, and efforts are underway in the departments of Transportation, Water, General Services and Environmental Services to obtain national accreditation.

Overall Quality of Service Provided by the City of Tucson in 2004



Implement pCard System – The City is establishing a comprehensive procurement card (pCard) system that incorporates innovative technologies to streamline its purchasing and payment processes. During FY 2005, the City will conduct a pilot program and based on that experience, finalize procedures and implement the P-Card on a citywide basis.

Finance Support for Parks and Recreation

Budget Initiative – The Finance Department has established a line of credit with the Bank of America to provide cash flow for the purchase of Parks & Recreation capital items during FY 2005. These items include an irrigation system (\$50,000), exercise equipment (\$110,000), and a bromine ozone pool cleaning system (\$350,000).

2. Prepared Workforce – enable and support the development of a prepared and successful employee workforce that is aligned with organizational priorities.

Priority Projects:

Learning Management System – The Human Resources Department will acquire a turnkey learning management system (LMS) software application to improve the administration of the employee training program. The automated LMS system will allow the City to:

- create on-line course catalogs
- register course participants
- record data from learners
- manage training assignments
- process changes to the training curriculum
- offer on-line testing and other E-learning opportunities, and
- provide report creation tools.

This system will allow the city to improve employee training and more efficiently use its limited employee training funding. LMS is a foundation for establishing an Employee University for the City and it is integral for other programs such as Succession Planning, Core Competencies, Performance Management, Resource Management, Planned Learning, Blended Learning, and On-Line Testing.

Succession Planning - The aging of the City's workforce has become a critical issue, emphasizing the need for Succession Planning. Many of our employees are in the Baby Boomer and Silent Majority (Traditional) Generations. Also, there has been a decline in the U.S. birthrate over the last two decades that reduces the number of potential candidates for future City recruitments. Succession Planning identifies potential succession gaps and future staffing needs within the organization. As an example, about 32% of the Fire Department's workforce will be eligible for retirement within the next five years. Succession Planning will ensure the smooth continuation of services by establishing a process to replace key staff over time. It has the added benefit of providing an inventory of the skilled resource we already have available throughout the City organization.

3. Fiscal Responsibility – optimize the streamlining of organizational processes to ensure quality services and fiscal responsibility.

Priority Projects:

Development of the FY07-08 Strategic Plan –

The purpose of this project is to continue the City's strategic planning progress, which focuses our organizational efforts on Tucson's greatest needs and opportunities. By beginning in FY2005 the process for the FY07-08 plan we will further integrate the City's strategic plan with the budget document and performance measures. Planning may involve focus groups, surveys, constituent data analysis, and Mayor and Council retreats. The result will be a FY07-08 strategic plan that reflects the vision of the Mayor and Council providing specific guidance to City management and staff.

Alternative Work Schedules – This project will evaluate current alternative work schedule processes used by the City, benchmark best practices, and recommend changes to City policies governing the use of alternative work schedules. The revised program will focus on improving customer service and increasing employee productivity, and it will include streamlined approval processes and other features to ensure a successful alternative work schedule program.

Employee Benefits Program – The Mayor and Council requested a survey comparing the City's medical, pharmacy, and retirement benefits and costs to other public employers in the Phoenix and Tucson areas. The survey will compare plan designs, costs, contribution strategies, employee populations, and Arizona State Retirement System participation. The survey results, to be presented to the Mayor and Council in early 2005, will offer benefit and contribution strategies to share increases in health care costs.

Implement Wellness Strategic Plan - The cost of health insurance continues to increase at double-digit rates. These cost increases have traditionally been managed through negotiation with insurers and by increasing City and employee contributions. It has become more imperative that we empower employees to make educated decisions about their health. The Wellness Strategic Plan provides programs and activities to educate employees on the many ways to improve their health habits, thereby improving performance and reducing the costs associated with absenteeism and presenteeism. Performance measures have been established to gauge the successes of the first year of this new proactive approach to employee health.

Environmental Service Utility Conversion – This project is a joint effort of Tucson Water and the Environmental Services Department to support the financial, organizational, and customer service consequences of introducing an environmental service fee and the transition of Environmental Services to an Enterprise Fund department.

Short-term elements of the project include:

1. Billing Systems
2. Call center and customer service training
3. Public education and outreach
4. Policy revision for commercial customers
5. Policy revision for mobile home parks and town homes
6. Creation of a low-income program

Longer-term elements of the project include:

1. Creation of a lifeline rate
2. Expansion of the Environmental Services Advisory Committee
3. Reengineering of work processes and organizations
4. Redesign of managerial structure

Consolidation of Deferred Compensation Program Providers - The City is planning to consolidate the three provider system used to offer investments to deferred compensation members, from two private firms and an in-house city program to a single outside provider. The primary objective is to lower fees to participants while maintaining an adequate array of investment options for retirement savings. Doing so will reduce staff time spent overseeing three plans and should allow for more education outreach to employees and additional pre-retirement savings.

Evaluation of Budget Systems – The City will evaluate performance budgeting systems and methods, seeking better and meaningful ways to benchmark and measure the effectiveness and efficiency of city services and to link that performance information to the budget process. The City will also explore the feasibility of other budget mechanisms, such as gainsharing, that will allow departments to be rewarded for under spending their budgets in one year by using those funds in the next year.

4. Expand Use of Technology – by capitalizing on technology to improve service and increase efficiency, ensuring public and employee safety, exercising appropriate environmental stewardship, and providing greater information access.

Priority Projects:

E-Government - moving beyond efficient and effective government – The City continues to use technology to improve the access of citizens to their governments. There are more than 75 forms and services now available through the City's web site, www.tucson.az.gov and web-based services will continue to expand. Citizens will be able to pay water and environmental services bills, register and pay for Parks and Recreation classes, and request other services online. The city will also identify other ways to make government more accessible to the citizens. Program such as STAR, Tucson 12's "12 Answers", and the online discussion forums will be created to better meet the information needs of the community.

Procurement System Upgrade – OPIS, the City's online procurement system since March 2001, provides complete online procurement system functionality (requisitions, workflow management, approval processing, document routing, vendor registration, direct ordering from contracts, purchase orders, change orders, and data management). The original system was comprised of two separate parts – a web application and a client/server application – provided by a single vendor. The vendor is in the process of merging these two systems into a single product that will eliminate the need for the client/server application. This upgrade will allow the Procurement Department to improve its effectiveness, and other City staff will benefit from improved procurement processes.



Public Safety Communications - Radio Replacement – Tucson and Pima County are working together to plan and build an interoperable radio communication system for the community's first responders, one of the most important homeland security programs a community can undertake. The system will equip police officers, fire fighters, and other first responders with a communication system that will work between agencies, something the current system does not provide. This multi-year project will build a wireless infrastructure capable of meeting our voice and data communication needs.

During FY 2005, the City will work on three of its own projects to improve public safety communication. A wireless vehicle tracking system will come online that will ensure the dispatch of the nearest fire and medical resources. The City will also begin the first phase of operation of a wireless network delivering critical information to first responders in the field. Finally, we will begin construction on one of the foundation pieces of the radio system, a digital microwave network.

Implementation Project for New Automated Fleet Management Information System –

General Services' Fleet Services, Fire Maintenance, and Tucson Water Equipment Maintenance will replace their current antiquated fleet maintenance management system with Synergen Series' asset management system/maintenance management system. This system will provide greater access to data to help manage work more efficiently, develop and establish consistent work rules and procedures for system operations, allow flexibility to accommodate business needs, and track maintenance costs so decisions can be made with more complete and accurate information. Using Synergen Series also adds value to a license already owned by the City and it creates an enterprise approach for future implementation.

5. Strengthen Partnerships – building a strategic network of partnerships that aim at bettering community life, eliminating redundant services, and stretching the value of the taxpayer's dollar.

Priority Projects:

Provide pCard to other municipalities –

The City intends to establish a comprehensive procurement card (pCard) system that will incorporate innovative technologies with existing technology and will streamline procurement and accounts payable transactions and processes by providing a more efficient purchase and payment mechanism. In FY 2005, the City will first implement the system internally and then seek cooperative purchasing agreements with other municipalities to increase the cumulative spending under the contract that will result in financial incentives to the City.

Library Governance – Discussion among City and County staff, the City of Tucson Mayor and Council and Pima County Board of Supervisors will be sought to provide an adequate, dedicated regional funding source for Tucson Pima Public Library. Divergent ideas about service priorities, library location types of library and who makes decisions for the system will be addressed.

